

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 264-03
Bill No.: HB 819
Subject: Alcohol; Crimes and Punishment; Licenses - Driver's; Revenue Dept
Type: Original
Date: March 13, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Highway	(\$18,870 to (\$68,870)	\$51,739	\$55,156
Total Estimated Net Effect on <u>All</u> State Funds	(\$18,870 to (\$68,870)	\$51,739	\$55,156

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Cities	\$13,973	\$27,371	\$28,465
Counties	\$9,315	\$18,248	\$18,976
All	(Unknown)	(Unknown)	(Unknown)
Local Government	\$23,288 to (Unknown)	\$45,619 to (Unknown)	\$47,441 to (Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

FISCAL ANALYSIS

ASSUMPTIONS

In response to similar proposals, officials of the **Office of the Attorney General** assumed this proposal would have no fiscal impact to their agency.

In response to similar proposals, officials from the **Department of Public Safety - Missouri State Highway Patrol** and the **Department of Health** assume no impact to their agency.

Officials from the **Office of Prosecution Services** assume their agency could absorb the cost of this proposal from existing resources.

In a response to a similar proposal in the prior session (SB 782, 2000) officials of the **Office of State Courts Administrator (CTS)** assume there will be an increased caseload as a result of this proposal. However, they have no way of quantifying the increase at this time. CTS said they would not expect a significant impact on the budget of the judiciary.

Officials from the **Missouri Department of Transportation (MoDOT)** assume this bill would lower Missouri's current excessive BAC standard from .10 to .08, would prohibit possession or consumption of alcoholic beverages by vehicle passengers, and increase penalties for repeat offenders. The Department of Transportation assumes no direct fiscal impact to their agency.

Officials from the **Office of State Public Defender (SPD)** assume that existing staff could provide representation for those 50 - 75 cases arising where indigent persons were charged with "driving while intoxicated at .08%." However, passage of more than one similar bill would require the State Public Defender System to request increased appropriations to cover the cumulative cost of representing the indigent accused.

Officials from the **Department of Revenue (DOR)** assume this proposal would lower the legal blood alcohol limit for criminal actions and administrative license suspension from .10% to .08%. This proposal also includes repeat offender sanctions, an open container prohibition, and ignition interlock procedures; and cleans up some provisions regarding license suspension and denial for the Department.

DOR assumes that while the long term intended result of this legislation will reduce the number of alcohol related offenses through stricter driver's license sanctions, the immediate impact will result in increased arrests reported to the Driver and Vehicle Services Bureau.

ASSUMPTIONS (continued)

Ignition Interlock Devices:

This proposal would allow courts to issue an ignition interlock for a person who is found guilty or pleads guilty to a first intoxication related traffic offense, and requires the court to issue an ignition interlock to any person who is found guilty of or pleads guilty to a second or subsequent intoxication related traffic offense. Any individual who has been required to install an ignition interlock device shall not operate or own any motor vehicle unless that vehicle is equipped with a functioning, certified ignition interlock device.

The current ignition interlock device program only prohibits operation of a motor vehicle that is not equipped with an ignition interlock device. This proposal requires that individuals under court order to install ignition interlock devices cannot operate or **own** a motor vehicle that is not equipped with an ignition interlock device.

The Department of Revenue will be required to edit applications for motor vehicle titles to ensure the applicant does not have an ignition interlock requirement. In order to accomplish this, programming will be necessary to the Field Audit System for Titling and Registration (FASTR). This system will require an interface to the Missouri Drivers License System (MODL) in order to determine the ignition interlock requirement of each person titling a motor vehicle. Although the Driver and Vehicle Services Bureau anticipates this to have minimal impact to processing title and registration applications, the cost of programming the FASTR system is unknown. The Driver and Vehicle Services Bureau anticipates that the costs for such programming will not exceed \$50,000.

Oversight has ranged the programming costs from \$0 to \$50,000 in FY 2002 depending on whether DOR must make programming changes to the FASTR system to track the issuance of ignition interlock devices on the vehicle registration statements.

Driver and Vehicle Services Bureau

The Driver and Vehicle Services Bureau assumes that in the short term (3 to 5 years), this legislation will increase the number of administrative alcohol arrests pursuant to section 302.500 RSMo, by 16.7%. The Driver and Vehicle Services Bureau also assumes the same increase (16.7%) on alcohol related convictions.

ASSUMPTIONS (continued)

These increases will result in the following increased workloads in the Driver and Vehicle Services Bureau:

Work Process	Volume of Increase
Administrative Alcohol Arrest Documentation =	3,826
Alcohol Related Convictions =	2,406
Notices of Suspension/Revocation =	6,232
Reinstatement Notices =	4,241
Correspondence Inquiries =	1,122
Total Increased Documentation for Processing:	17,827

In order to process this increased documentation the Driver and Vehicle Services Bureau will require one additional FTE (clerk typist II). The requested Clerk Typist II position will be responsible for responding to correspondence inquiries, entering arrest and conviction data, reinstatement fees, proof of insurance (required for reinstatement), and alcohol education completion certificates into automated computer systems. **Oversight** assumes the additional clerk typist duties could be absorbed with existing resources.

General Counsel's Office

The DOR General Counsel's Office assumes the same impact as the Driver and Vehicle Services Bureau (16.7% increase in arrests). The General Counsel's Office expects an increase in the number of hearings requested as a result of the lower blood alcohol threshold. The immediate impact is expected to be more significant as more individuals will challenge the legitimacy of lower alcohol threshold and whether or not an individual is impaired at the lower limit. This will require three additional Legal Counsels and one Clerk Typist III in order to process the additional administrative hearings that are associated with the increased number of arrests.

This FTE request is based on current administrative hearing volumes statewide. Nearly half of all hearings are held in the metropolitan areas of Kansas City and St. Louis. One additional Legal Counsel will be needed in each of these areas to absorb the additional hearings that will be requested. The remaining Legal counsel will be used out of the Jefferson City office and will be required to travel to many regions of the state to absorb additional hearing volumes statewide.

The requested Clerk Typist III will be responsible for docketing hearings, scheduling hearings, and preparing hearing documentation. **Oversight** assumes that one General Counsel and one Clerk Typist II could handle the additional workload, consistent with DOR's response to a similar proposal in the prior session. The costs to DOR have been adjusted accordingly.

ASSUMPTIONS (continued)

Postage

The Driver and Vehicle Services Bureau will require additional postage funding as a result of an estimated 11,595 documents required to be mailed. This documentation includes notices of suspension/revocation, notices of reinstatement, and responses to correspondence inquiries.

Additional postage funding will also be required in order to facilitate the reprinting of Alcohol Influence Reports (form DOR-2389) and the Notice of Suspension/Revocation (form DOR-2385) which is given to the offender at the time of arrest.

The Driver and Vehicle Services Bureau will distribute 100,000 of each of these forms to law enforcement agencies throughout the state. Postage for this distribution of forms is estimated to be \$3,100.

FY 02

11,595	Documents Requiring Postage
x <u>\$.33</u>	Postage Rate
\$3,826	Postage for Additional Documents Created
<u>/ 12</u>	
\$318.83	Postage Cost Per Month
x <u>10</u>	Number of Months in the 1 st Fiscal Year
\$3,188	1st Fiscal Years Postage for Additional Documents
\$3,100	Postage Estimate for Forms Mailing (FY 02 only)
<u>\$6,288</u>	<u>Total Postage FY02</u>

FY 03 & 04

11,595	Documents Requiring Postage
x <u>\$.33</u>	Postage Rate
\$3,826	Postage for Additional Documents Created

Forms

The Driver and Vehicle Services Bureau will be required to modify two forms in order to identify the appropriate reduction in the blood alcohol content threshold and the increased penalties for driving while intoxicated. This will require reprinting of Alcohol Influence Reports (form DOR-2389) and the Notice of Suspension/Revocation (form DOR-2385) which is given to the offender at the time of arrest.

The Driver and Vehicle Services Bureau will distribute 100,000 of each of these forms to law enforcement agencies throughout the state. Costs for reprinting these forms are estimated to be \$6,000.

ASSUMPTION (continued)

State Data Center Costs

DOR expects this proposal would generate additional State Data Center costs of \$2,000 for fiscal year 2002. **Oversight** assumes this cost is minimal and can be absorbed from existing resources.

Oversight assumes that, since this proposal increases minimum incarcerations for offenses, there will be an increased cost to local governments, and that the cost is unknown.

Revenue Increase

Additional suspension and revocation actions will be imposed as a result of lower blood alcohol content threshold. The Driver and Vehicle Services Bureau estimates 4,241 additional reinstatements annually.

This estimate is based on statistics obtained from the DOR's Missouri Drivers License (MODL) System. Fiscal Year 2002 estimates are based on only six months calculations for administrative alcohol and point accumulation suspensions. This is due to the requirement of a one month notice prior to enforcement of the suspension, a one month suspension period, and a two month period of restricted driving prior to reinstatement. In addition, the effective date of this legislation is assumed to be August 28, 2001 which reduces the total months in the fiscal year to ten months.

Administrative alcohol license revocations and point accumulation revocations are also not calculated in fiscal year 2001 as these actions are one year sanctions. The first revocations for these actions will not be eligible for reinstatement until August 28, 2002 under this assumption (FY 2003). Therefore, these reinstatements are calculated for ten months of FY 2003 and all of FY 2004.

FY 02

2,094	Administrative Alcohol Suspensions
1,171	Point Accumulation Suspensions
3,265	Total Suspension Reinstatements
3,265	Total Suspension Reinstatements
/ 12	Months per Year
272	Suspension Reinstatements per Month
x 6	Months of Eligible Reinstatement for Suspensions
1,632	Total Suspension Reinstatements for FY02
+ 438	Point Accumulation Revocations Reinstatements
2,070	Additional Reinstatements for FY02
x \$45	Reinstatement Fee
\$93,150	Total Increased Reinstatement Fee Collection FY02

ASSUMPTIONS (continued)

FY 03

514	Administrative Alcohol Revocation Reinstatements
+ 438	Point Revocation Reinstatements
952	Total Revocation Reinstatements
/ 12	Months per year
79	Revocations per month
x 10	Months of Eligible Revocation reinstatements
790	Total Revocation Reinstatements for FY03
3,265	Total Suspension Reinstatements
+ 790	Total Revocation Reinstatements
4,055	Total Reinstatements for FY03
x \$45	Reinstatement Fee
\$182,475	Total Increased Reinstatement Fee Collection for FY03

FY 04

514	Total Administrative Alcohol Revocations Reinstatements Annually
3,265	Total Suspension Reinstatements
+ 438	Total Point Revocation Reinstatements
4,217	Total Reinstatements for FY04
x \$45	Reinstatement Fee
\$189,765	Total Increased Reinstatement Fee Collection for FY04

FEE DISTRIBUTION

FY 02

\$69,863	Highway Fund
\$13,973	Cities
\$9,315	Counties

FY 03

\$136,856	Highway Fund
\$27,371	Cities
\$18,248	Counties

FY 04

\$142,324	Highway Fund
\$28,465	Cities
\$18,976	Counties

FISCAL IMPACT - State Government

FY 2002
 (10 Mo.)

FY 2003

FY 2004

HIGHWAY FUNDS

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Income - Department of Revenue</u>			
Reinstatement fees	\$69,863	\$136,856	\$142,324
<u>Cost - Department of Revenue</u>			
Personal Service (2 FTE)	(\$49,250)	(\$60,578)	(\$62,092)
Fringe Benefits	(\$16,415)	(\$20,190)	(\$20,695)
Expense and Equipment	(\$10,780)	(\$1,063)	(\$1,095)
Forms	(\$6,000)	\$0	\$0
Postage	(\$6,288)	(\$3,286)	(\$3,286)
Computer programming	<u>0 to (\$50,000)</u>	<u>\$0</u>	<u>\$0</u>
Total cost	(\$88,733 to <u>\$138,733</u>)	<u>(\$85,117)</u>	<u>(\$87,168)</u>
ESTIMATED NET EFFECT ON HIGHWAY FUNDS	<u>(\$18,870 to \$68,870)</u>	<u>\$51,739</u>	<u>\$55,156</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Income - Reinstatement fees</u>			
Cities	\$13,973	\$27,371	\$28,465
Counties	\$9,315	\$18,248	\$18,976
<u>Cost - Additional incarcerations</u>			
Local government	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENT	<u>\$23,288 to (Unknown)</u>	<u>\$45,619 to (Unknown)</u>	<u>\$47,441 to (Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would lower the legal blood alcohol limit for criminal actions and administrative license suspension from .10% to .08%. This proposal also includes repeat offender sanctions, an open container prohibition, ignition interlock procedures, and other provisions regarding license suspension and denial for Department of Revenue.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Office of Prosecution Services
Office of State Public Defender

NOT RESPONDING

Office of State Courts Administrator
Department of Corrections

A handwritten signature in black ink, appearing to read "Jeanne Jarrett".

Jeanne Jarrett, CPA
Director
March 13, 2001